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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2002

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM TO

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8/15/04

COMMISSION FILE NUMBER 1-1105

AT&T CORP.

A NEW YORK CORPORATION	I.R.S. EMPLOYER NO. 13-4924710

ONE AT&T WAY, BEDMINSTER, NEW JERSEY 07921
TELEPHONE NUMBER 908-221-2000
INTERNET ADDRESS: ATT.COM/IR

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:
SEE ATTACHED SCHEDULE A.

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
NONE.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes [X] No [ ]

The aggregate market value of voting common stock held by non-affiliates was approximately $16.9 billion (based on closing price of those shares as of the last business day of the registrant's most recently completed second fiscal quarter). At February 28, 2003, 784,731,748 shares of AT&T common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement relating to the 2003 Annual Meeting of Shareowners (Part III)

<PAGE>

2002, and $1.4 billion in 2001. The 2002 variances include a positive impact attributable to the reintegration of customers and assets from the unwind of Concert.

In 2003, we expect our long distance voice revenue to continue to decline due to ongoing competition and product substitution. This decline in revenue is expected to be partially offset by growth in our local voice services and data/IP/managed services.

Revenue by segment is discussed in greater detail in the segment results section.

<Table>
<Caption>

	FOR THE YEARS ENDED DECEMBER 31,		
	2002	2001	2000
	(DOLLARS IN MILLIONS)		
<S>	<C>	<C>	<C>
Access and other connection	$10,790	$12,085	$13,139
Costs of services and products	8,363	8,621	8,235
Selling, general and administrative	7,988	8,064	7,387
Depreciation and amortization	4,888	4,559	4,538
Net restructuring and other charges	1,437	1,036	758
Total operating expenses	$33,466	$34,365	$34,057
Operating income	$ 4,361	$ 7,832	$12,793
Operating margin	11.5%	18.6%	27.3%

</Table>

Included within access and other connection expenses are costs we pay to connect calls using the facilities of other service providers, as well as the Universal Service Fund contributions and per-line charges mandated by the FCC. Costs paid to telephone companies outside of the United States to connect international calls are also included within access and other connection expenses.

Access and other connection expenses decreased 10.7%, or $1.3 billion, in 2002 compared with 2001. Approximately $0.5 billion of this decrease was due to lower Universal Service Fund contributions and lower per-line charges, which were primarily driven by the decline in long distance voice revenue. In addition, domestic access charges decreased by $0.5 billion primarily due to product mix and FCC-mandated access-rate reductions. International connection charges decreased by approximately $0.4 billion driven primarily by lower rates and the reintegration of customers and assets from the unwind of Concert. These reductions were partially offset by an increase in local connectivity costs. Since most of the Universal Service Fund contributions, per-minute access-rate reductions and per-line charges are passed through to the customer, these reductions generally result in a corresponding reduction in revenue.

In 2003, we expect access rates to be flat or slightly lower than 2002 as most of the FCC-mandated rate reductions have been implemented. We also expect our local connectivity costs to continue to increase as we continue to grow our local voice business.

Access and other connection expenses decreased 8.0%, or $1.1 billion, in 2001 compared with 2000. Approximately $1.6 billion of the decrease was due to mandated reductions in per-minute access rates, lower per-line charges and lower international connection rates. In July 2000, per-line charges that AT&T paid for residential and single-line business customers were eliminated by the FCC. These reductions were partially offset by a $0.6 billion increase due to overall volume growth primarily related to local and international services and higher Universal Service Fund contributions.

Costs of services and products include the costs of operating and maintaining our networks, costs to support our outsourcing contracts, the provision for uncollectible receivables and other service-related costs, including the cost of equipment sold.

Costs of services and products decreased $0.3 billion, or 3.0%, in 2002 compared with 2001. Approximately $0.5 billion of the decrease was due to the overall impact of lower revenue and related costs at AT&T Consumer Services and AT&T Business Services. In addition, costs decreased approximately $0.2 billion due to losses on certain long-term contracts recorded in 2001 by AT&T Business Services. These decreases were partially offset by an increase of $0.1 billion in AT&T Business Services' provision for uncollectible receivables

AT&T CORP. AND SUBSIDIARIES (AT&T)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used when accounting for certain items such as allowances for doubtful accounts, depreciation and amortization, employee benefit plans, taxes, restructuring reserves and contingencies.

REVENUE RECOGNITION

We recognize long distance, local voice and data services revenue based upon minutes of traffic processed or contracted fee schedules. In addition, we record an estimated revenue reduction for adjustments to customer accounts. This estimate is based on a detailed analysis that compares accounts receivable aging at different points in time to determine the appropriate level of adjustments. We recognize other products and services revenue when the products are delivered and accepted by customers and when services are provided in accordance with contract terms. For contracts where we provide customers with an indefeasible right to use network capacity, we recognize revenue ratably over the stated life of the agreement.

ADVERTISING AND PROMOTIONAL COSTS

We expense costs of advertising and promotions as incurred. Advertising and promotional expenses were $814 million, $874 million and $801 million in 2002, 2001 and 2000, respectively.

INCOME TAXES

The provision for income taxes is based on reported income before income taxes. Deferred income taxes are provided for the effect of temporary differences between the amounts of assets and liabilities recognized for financial reporting purposes and the amounts recognized for income tax purposes. Deferred tax assets and liabilities are measured using currently enacted tax laws and the effects of any changes in income tax laws are included in the provision for income taxes in the period of enactment. Valuation allowances are recognized to reduce deferred tax assets when it is more likely than not that the asset will not be realized. In assessing the likelihood of realization, we consider estimates of future taxable income, the character of income needed to realize future benefits and all available evidence. Investment tax credits are amortized as a reduction to the provision for income taxes over the useful lives of the assets that produced the credits.

CASH EQUIVALENTS

We consider all highly liquid investments with original maturities of generally three months or less to be cash equivalents.

PROPERTY, PLANT AND EQUIPMENT

We state property, plant and equipment at cost. Construction costs, labor and applicable overhead related to installations and interest during construction are capitalized. Costs of additions and substantial improvements to property, plant and equipment are capitalized. The costs of maintenance and repairs of property, plant and equipment are charged to operating expense. Depreciation is determined based upon the assets' estimated useful lives using either the group or unit method. The useful lives of communications and network equipment range from three to 15 years. The useful lives of other equipment ranges from three to seven years. The useful lives of buildings and improvements range from 10 to 40 years. The group method is used for most depreciable assets, including the majority of communications and network equipment. The unit method is primarily used for large computer systems, buildings and support assets. Under the group method, a specific

63